

1-1 By: Ellis S.B. No. 645
1-2 (In the Senate - Filed February 14, 2007; February 28, 2007,
1-3 read first time and referred to Committee on Business and Commerce;
1-4 April 10, 2007, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 9, Nays 0; April 10, 2007,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 645 By: Lucio

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to a study of residential foreclosures in certain
1-11 counties.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subchapter B, Chapter 343, Finance Code, is
1-14 amended by adding Section 343.105 to read as follows:

1-15 Sec. 343.105. STUDY REGARDING RESIDENTIAL FORECLOSURES.

1-16 (a) The University of Houston shall conduct a study to examine
1-17 mortgage foreclosure rates in the Houston-Sugar Land-Baytown
1-18 Metropolitan Statistical Area, as defined by the United States
1-19 Office of Management and Budget, and shall establish an advisory
1-20 committee to direct the focus of the study. The advisory committee
1-21 shall be composed of:

1-22 (1) the executive director of the Texas Department of
1-23 Housing and Community Affairs or the director's representative;

1-24 (2) the savings and mortgage lending commissioner or
1-25 the commissioner's representative;

1-26 (3) four members appointed by the executive director
1-27 of the Texas Department of Housing and Community Affairs who
1-28 represent community and consumer interests including a
1-29 representative of the Houston Association of Realtors;

1-30 (4) four members appointed by the savings and mortgage
1-31 lending commissioner who represent the mortgage lending industry;
1-32 and

1-33 (5) the president of the University of Houston.

1-34 (b) The president of the University of Houston serves as
1-35 chair of the advisory committee.

1-36 (c) The advisory committee established under Subsection (a)
1-37 shall address in the study the causes of foreclosures in the
1-38 metropolitan statistical area from the perspective of the borrower,
1-39 lender, mortgage originator, mortgage services provider, housing
1-40 developer, secondary market representative, industry oversight
1-41 agency, federal and state prosecutor, and consumer advocate.

1-42 (d) The advisory committee shall determine the methodology
1-43 to be used in conducting the study. The study must be based on
1-44 original research at the level of the individual borrower,
1-45 including personal interviews with borrowers.

1-46 (e) All findings of the advisory committee must be approved
1-47 by a majority of the members of the advisory committee.

1-48 (f) Except as provided by other law, private, confidential,
1-49 and privileged information obtained for the production of any
1-50 public reports is the property of the parties to the mortgage and is
1-51 not subject to the disclosure provisions of Chapter 552, Government
1-52 Code.

1-53 (g) The University of Houston shall report to the governor,
1-54 the lieutenant governor, and the speaker of the house of
1-55 representatives on the study and its results not later than
1-56 September 1, 2008.

1-57 (h) This section expires February 1, 2009.

1-58 SECTION 2. This Act takes effect only if a specific
1-59 appropriation for the implementation of this Act is provided in
1-60 H.B. No. 1 (General Appropriations Act), Acts of the 80th
1-61 Legislature, Regular Session, 2007. If no specific appropriation
1-62 is provided in the General Appropriations Act, this Act has no
1-63 effect.

